

**WORKFORCE SAFETY & INSURANCE
INVESTMENT PERFORMANCE REPORT AS OF JULY 31, 2014**

	July-14					Current FYTD		Prior Year FY14		3 Years Ended 6/30/2014		5 Years Ended 6/30/2014	
	Market Value	Allocation		Month		Gross ⁽¹⁾	Net	Gross ⁽¹⁾	Net	Gross ⁽¹⁾	Net	Gross ⁽¹⁾	Net
		Actual	Policy	Gross ⁽¹⁾	Net								
TOTAL WSI	1,687,367,150	100.0%	100.0%	-0.55%	-0.56%	-0.55%	-0.56%	12.00%	11.71%	9.02%	8.71%	10.58%	10.24%
<i>POLICY TARGET BENCHMARK</i>				<i>-0.71%</i>	<i>-0.71%</i>	<i>-0.71%</i>	<i>-0.71%</i>	<i>9.95%</i>	<i>9.95%</i>	<i>6.31%</i>	<i>6.31%</i>	<i>7.72%</i>	<i>7.72%</i>
ATTRIBUTION ANALYSIS													
Asset Allocation				0.10%	0.10%	0.71%	0.71%	0.16%	0.16%	0.05%	0.05%		
Manager Selection				0.06%	0.04%	-0.55%	-0.56%	1.90%	1.61%	2.65%	2.34%		
TOTAL RELATIVE RETURN				0.16%	0.15%	0.16%	0.15%	2.05%	1.76%	2.71%	2.39%	2.87%	2.52%
LARGE CAP DOMESTIC EQUITY													
Los Angeles Capital	60,990,668	3.6%	3.6%	-0.74%	-0.74%	-0.74%	-0.74%	25.79%	25.57%	17.16%	16.94%	7.73%	7.51%
<i>Russell 1000 Growth</i>				<i>-1.53%</i>	<i>-1.53%</i>	<i>-1.53%</i>	<i>-1.53%</i>	<i>26.92%</i>	<i>26.92%</i>	<i>16.26%</i>	<i>16.26%</i>	<i>7.47%</i>	<i>7.47%</i>
LSV	60,574,291	3.6%	3.6%	-1.45%	-1.51%	-1.45%	-1.51%	28.33%	28.01%	19.09%	18.79%	8.24%	7.86%
<i>Russell 1000 Value</i>				<i>-1.70%</i>	<i>-1.70%</i>	<i>-1.70%</i>	<i>-1.70%</i>	<i>23.81%</i>	<i>23.81%</i>	<i>16.92%</i>	<i>16.92%</i>	<i>6.67%</i>	<i>6.67%</i>
LA Capital	40,459,883	2.4%	2.4%	-0.80%	-0.80%	-0.80%	-0.80%	24.29%	24.15%	17.14%	16.95%	8.08%	7.81%
<i>Russell 1000</i>				<i>-1.62%</i>	<i>-1.62%</i>	<i>-1.62%</i>	<i>-1.62%</i>	<i>25.36%</i>	<i>25.36%</i>	<i>16.63%</i>	<i>16.63%</i>	<i>16.63%</i>	<i>7.12%</i>
Clifton Group	40,434,599	2.4%	2.4%	-1.43%	-1.43%	-1.43%	-1.43%	24.75%	24.63%	16.93%	16.80%	19.96%	19.63%
<i>S&P 500</i>				<i>-1.38%</i>	<i>-1.38%</i>	<i>-1.38%</i>	<i>-1.38%</i>	<i>24.61%</i>	<i>24.61%</i>	<i>16.58%</i>	<i>16.58%</i>	<i>18.83%</i>	<i>18.83%</i>
TOTAL LARGE CAP DOMESTIC EQUITY	202,459,442	12.0%	12.0%	-1.10%	-1.12%	-1.10%	-1.12%	25.98%	25.77%	17.72%	17.47%	19.55%	19.21%
<i>Russell 1000</i>				<i>-1.62%</i>	<i>-1.62%</i>	<i>-1.62%</i>	<i>-1.62%</i>	<i>25.36%</i>	<i>25.36%</i>	<i>17.02%</i>	<i>17.02%</i>	<i>19.10%</i>	<i>19.10%</i>
SMALL CAP DOMESTIC EQUITY													
Research Affiliates	24,424,874	1.4%	2.0%	-5.61%	-5.61%	-5.61%	-5.61%	24.68%	24.29%	16.34%	15.88%	22.98%	22.51%
Clifton	42,768,883	2.5%	2.0%	-6.13%	-6.13%	-6.13%	-6.13%	24.67%	24.17%	15.76%	15.30%	22.16%	21.67%
TOTAL SMALL CAP DOMESTIC EQUITY	67,193,757	4.0%	4.0%	-5.92%	-5.92%	-5.92%	-5.92%	24.82%	24.37%	16.12%	15.60%	22.50%	21.80%
<i>Russell 2000</i>				<i>-6.05%</i>	<i>-6.05%</i>	<i>-6.05%</i>	<i>-6.05%</i>	<i>23.64%</i>	<i>23.64%</i>	<i>14.57%</i>	<i>14.57%</i>	<i>20.21%</i>	<i>20.21%</i>
INTERNATIONAL EQUITY													
Capital Group	60,442,732	3.6%	3.6%	-1.99%	-2.07%	-1.99%	-2.07%	20.70%	20.25%	8.58%	8.03%	12.11%	11.55%
LSV	60,785,136	3.6%	3.6%	-1.53%	-1.62%	-1.53%	-1.62%	27.25%	26.77%	9.54%	9.04%	12.20%	11.69%
<i>MSCI EAFE</i>				<i>-1.97%</i>	<i>-1.97%</i>	<i>-1.97%</i>	<i>-1.97%</i>	<i>23.57%</i>	<i>23.57%</i>	<i>8.10%</i>	<i>8.10%</i>	<i>11.11%</i>	<i>11.11%</i>
DFA	14,860,470	0.9%	0.9%	-3.51%	-3.51%	-3.51%	-3.51%	36.58%	35.75%	12.25%	11.48%	16.48%	15.74%
Vanguard (1)	14,997,738	0.9%	0.9%	-2.08%	-2.08%	-2.08%	-2.08%	29.97%	29.46%	9.31%	8.86%	14.93%	14.49%
<i>S&P/Citigroup Broad Market Index < \$2BN</i>				<i>-1.27%</i>	<i>-1.27%</i>	<i>-1.27%</i>	<i>-1.27%</i>	<i>26.39%</i>	<i>26.39%</i>	<i>8.21%</i>	<i>8.21%</i>	<i>8.21%</i>	<i>13.10%</i>
TOTAL INTERNATIONAL EQUITY	151,086,076	9.0%	9.0%	-1.96%	-2.03%	-1.96%	-2.03%	25.62%	25.12%	9.13%	8.68%	12.80%	12.30%
<i>MSCI EAFE</i>				<i>-1.97%</i>	<i>-1.97%</i>	<i>-1.97%</i>	<i>-1.97%</i>	<i>23.57%</i>	<i>23.57%</i>	<i>8.10%</i>	<i>8.10%</i>	<i>11.11%</i>	<i>11.11%</i>

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		Actual	Policy	Gross ⁽¹⁾	Net								
FIXED INCOME													
Western Asset	281,211,866	16.7%	16.8%	-0.09%	-0.13%	-0.09%	-0.13%	6.13%	5.99%	5.69%	5.52%	8.72%	8.54%
Prudential	71,360,266	4.2%	4.2%	-0.21%	-0.21%	-0.21%	-0.21%	6.71%	6.42%	6.06%	5.76%	8.55%	8.25%
PIMCO (DISCO) (1)	45,809,859	2.7%	2.7%	0.00%	0.00%	0.00%	0.00%	12.02%	12.02%	N/A	N/A	N/A	N/A
PIMCO (BRAVO II) (1)	7,696,614	0.5%	0.5%	0.00%	0.00%	0.00%	0.00%	N/A	N/A	N/A	N/A	N/A	N/A
BC Aggregate				-0.25%	-0.25%	-0.25%	-0.25%	4.37%	4.37%	3.66%	3.66%	4.85%	4.85%
Declaration (Total Return) (1)	77,996,659	4.6%	4.6%	0.00%	0.00%	0.00%	0.00%	N/A	N/A	N/A	N/A	N/A	N/A
3m LIBOR				0.02%	0.02%	0.02%	0.02%						
State Street	125,737,595	7.5%	7.4%	-0.11%	-0.11%	-0.11%	-0.11%	4.26%	4.23%	N/A	N/A	N/A	N/A
BC Gov/Credit				-0.11%	-0.11%	-0.11%	-0.11%	4.28%	4.28%				
Wells Capital	285,587,897	16.9%	16.8%	-0.20%	-0.20%	-0.20%	-0.20%	10.01%	9.79%	7.70%	7.48%	10.19%	9.97%
BC US Credit BAA				-1.40%	-1.40%	-1.40%	-1.40%	9.46%	9.46%	7.12%	7.12%	9.05%	9.05%
TOTAL FIXED INCOME	895,400,756	53.1%	53.0%	-0.12%	-0.13%	-0.12%	-0.13%	7.79%	7.63%	7.49%	7.30%	9.31%	9.12%
BC Aggregate				-0.25%	-0.25%	-0.25%	-0.25%	4.37%	4.37%	3.66%	3.66%	4.85%	4.85%
DIVERSIFIED REAL ASSETS (formerly Inflation Prote													
Western	108,974,232	6.5%	5.8%	-0.28%	-0.32%	-0.28%	-0.32%	10.09%	9.91%	3.72%	3.54%	5.09%	4.84%
BC Global Inflation Linked Index (2)				-0.57%	-0.57%	-0.57%	-0.57%	10.42%	10.42%	4.44%	4.44%	5.54%	5.54%
TIR - Eastern Timber Opps Fund (1)	63,051,961	3.7%	3.7%	0.00%	0.00%	0.00%	0.00%	9.89%	9.89%	5.69%	5.69%	4.13%	4.00%
NCREIF Timberland Index				0.36%	0.36%	0.36%	0.36%	9.94%	9.94%	6.73%	6.73%	3.33%	3.33%
JP Morgan (Infrastructure)	71,146,209	4.2%	4.2%	0.00%	0.04%	0.00%	0.04%	9.94%	8.88%	8.32%	7.19%	7.37%	6.07%
Grosvenor (formerly Credit Suisse) (Infrastructure) (1)	20,769,444	1.2%	1.2%	0.00%	0.00%	0.00%	0.00%	12.90%	12.90%	N/A	N/A	N/A	N/A
CPI				-0.08%	-0.08%	-0.08%	-0.08%	2.05%	2.05%				
TOTAL DIVERSIFIED REAL ASSETS	263,941,845	15.6%	15.0%	-0.17%	-0.19%	-0.17%	-0.19%	10.19%	9.87%	5.23%	4.88%	5.57%	5.18%
Weighted Benchmark (2) (3)				-0.16%	-0.16%	-0.16%	-0.16%	10.42%	10.42%	4.44%	4.44%	5.54%	5.54%
REAL ESTATE													
JP Morgan	60,525,482	3.6%	3.0%	0.00%	0.04%	0.00%	0.04%	10.12%	8.75%	17.19%	15.97%	13.24%	11.99%
Invesco	43,191,997	2.6%	3.0%	0.00%	0.00%	0.00%	0.00%	10.92%	10.38%	N/A	N/A	N/A	N/A
TOTAL REAL ESTATE	103,717,479	6.1%	6.0%	0.00%	0.02%	0.00%	0.02%	10.41%	9.38%	15.92%	14.83%	12.51%	11.26%
NCREIF Total Index				0.96%	0.96%	0.96%	0.96%	11.21%	11.21%	11.32%	11.32%	9.67%	9.67%
CASH EQUIVALENTS													
Northern Trust (1)	3,567,795			0.00%	0.00%	0.00%	0.00%	0.01%	0.01%	N/A	N/A	N/A	N/A
TOTAL CASH EQUIVALENTS	3,567,795	0.2%	1.0%	0.00%	0.00%	0.00%	0.00%	0.01%	0.01%	0.17%	0.17%	0.24%	0.24%
90 Day T-Bill				0.00%	0.00%	0.00%	0.00%	0.06%	0.06%	0.08%	0.08%	0.11%	0.11%

NOTE: Monthly returns and market values are preliminary and subject to change.

Effective July 1, 2013, net of fee returns are calculated on a cash basis in the month paid. Prior years were accrual based and split evenly over the 12 months of the fiscal year.

(1) All limited partnership-type (and mutual funds as of 7/1/14) investment returns will only be reported net of fees, which is standard practice by the investment consultant.

(2) Prior to January 1, 2010, the benchmark was BC US TIPS Index.

(3) From January 1, 2010 to June 30, 2014 the benchmark was BC Global Inflation Linked Index. Beginning July 1, 2014, the benchmark is a weighted average of the sub-class benchmarks.